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TO RUEHC/SECSTATE WASHDC 2300
INFO RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 2398
RUEHBY/AMEMBASSY CANBERRA 1803
RUEHNE/AMEMBASSY NEW DELHI 1668
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C O N F I D E N T I A L SECTION 01 OF 02 SINGAPORE 000156

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SUBJECT: SINGAPORE PLEASED WITH ASEAN AND EAST ASIA SUMMITS

Classified By: E/P Counselor Ike Reed. Reasons 1.4 (b)(d)

11. (SBU) Summary: Ministry of Foreign Affairs (MFA) Director for ASEAN Jacky Foo provided us an upbeat assessment January 19 of the recently concluded ASEAN and East Asian Summits in Cebu. The 12th ASEAN Summit in Cebu demonstrated that ASEAN integration was moving forward, Foo said. There were still differences over the speed of integration, and some key recommendations by an Eminent Persons Group (EPG) were contentious, such as majority voting and the concept of an ASEAN Union, but the leaders endorsed using EPG recommendations as a basis for the planned ASEAN Charter. China continued to be the most active partner in ASEAN, s meetings with its dialogue partners, signing a services agreement and expanding its sectoral cooperation with ASEAN. At the East Asia Summit, the leaders agreed to study Japan's proposal for an East Asian Free Trade Agreement, but some countries wanted to keep the focus on the ASEAN plus three FTA, according to Foo. End Summary.

Moving Forward on the ASEAN Charter

12. (SBU) Singapore was pleased with the outcomes of the 12th ASEAN Summit and the subsequent East Asian Summit (EAS), MFA ASEAN Directorate Director Jacky Foo told us January 19. The leaders' endorsement of the Eminent Persons Group (EPG) report on the ASEAN Charter indicated there was general agreement within ASEAN on moving forward with the organization's integration, Foo noted. There were still differences, however, over the speed of integration. In particular, Cambodia, Laos and Vietnam wanted a slower pace of integration and emphasized the need for capacity building assistance to keep up. Harmonizing economic policies would be easier than political, cultural, and social issues, about which some members remained sensitive, according to Foo.

13. (SBU) Notwithstanding the leaders' endorsement of the EPG report, some of its key recommendations provoked strong debate. Indonesia in particular was "not comfortable" with the report's references to an ASEAN "Union," Foo said. While the concept of "union" was poorly defined and could be "tight" like the European Union or even "loose" like the African Union, Indonesia appeared to worry that use of the term could turn into a domestic political issue. However, the debate revealed strong support for moving forward with integration and the concept of an ASEAN Community. Newer ASEAN members, including Cambodia and Vietnam, were also wary about introducing majority voting into ASEAN decision-making. Nevertheless, the leaders had charged a High Level Task Force with a clear mandate to complete a draft ASEAN Charter

for the leaders to approve at the Singapore-hosted ASEAN Summit in November, and to base it at least in part on the EPG report.

Transboundary Issues: The Environment

¶4. (SBU) Foo said there had been good discussions during the ASEAN Summit on transboundary issues such as haze. Indonesia had been especially forthcoming on that environmental issue and seemed open to outside assistance to help tackle the problem. The leaders also signed a "slew" of other agreements, such as the ASEAN Convention on Counter Terrorism. Foo characterized the Convention as primarily a political pledge to enhance information sharing and other types of cooperation that were already ongoing.

An Active China as Dialogue Partner

¶5. (SBU) China was the most focused and energetic dialogue partner, Foo commented. It signed the services portion of the ASEAN-China Free Trade Agreement (FTA) to go along with the already completed section on goods. There was also talk of expediting conclusion of the final portion on investments. Thus, the ASEAN-China FTA was the farthest along and could be a "beacon" for other dialogue partners to complete their respective FTAs with ASEAN. China had also actively promoted more sectoral cooperation with ASEAN, and ministerial-level meetings were in the works on health and information technology.

¶6. (SBU) Foo contrasted the rapid progress with China with the ASEAN-Japan FTA, which had been under discussion for four

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years but thus far had little to show. He thought China's progress might explain indications from Prime Minister Abe that Japan would redouble efforts. Indian Prime Minister Singh had demonstrated his commitment to greater ASEAN-India engagement by announcing that both sides would work on an Open Skies Agreement, Foo said.

East Asia Summit

¶7. (SBU) At the East Asia Summit, the leaders agreed to commission a track-two study of Japan's proposal for an East Asian Free Trade Agreement as part of its Comprehensive Economic Partnership for East Asia (CEPA). Foo suggested Singapore had quietly lobbied for the proposal. However, other EAS members, in particular China and Malaysia, preferred to keep the focus on the ASEAN-plus-three FTA.

Comment

¶8. (C) GOS officials appear genuinely pleased that the ASEAN Summit produced good discussions and concrete progress in the form of a strong mandate to complete the ASEAN Charter on the basis of the EPG report. In part, this may reflect relief that the postponement of the summits, originally scheduled for early December, and other organizational problems did not take the wind out of the integration sails with Singapore set to take up chairmanship of the organization later this year. Singapore strongly supports the EPG's recommendation to turn ASEAN into a rules-based organization. While some of the EPG's more forward-leaning ideas remain contentious, the GOS seems convinced that the terms of debate have shifted. It sees ASEAN integration as no longer a question of if, but when, and seems optimistic that an important step can be taken with completion of the Charter this year.

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